



THE SECRETARY OF TRANSPORTATION
WASHINGTON, DC 20590

July 30, 2024

Dear Airline CEO:

As we emerge from the air travel disruptions caused by the global technology outage earlier this month and the busy summer travel season continues, I want to ensure there is clarity and a shared understanding when it comes to the rights of air travelers and the obligations of U.S. and foreign airlines. The operational challenges of this month have served as a reminder of the importance of passenger protections—which now include a legal requirement to clearly and proactively inform customers about their right to a refund and provide prompt cash refunds when consumers do not opt to accept travel alternatives following a cancellation or major delay.

First, I need to remind airlines operating in the United States that the refund requirements in the FAA Reauthorization Act took effect upon enactment of the law on May 16, 2024. Now that this is law, our expectation is that airlines are doing everything in their power to comply.

Second, in recent weeks we have heard reports of unacceptable customer service failures and received thousands of air travel service complaints against airlines. When problems come to our attention, we will investigate them and, where violations have occurred, use our enforcement powers to hold offending airlines accountable.

Let me be clear about some of the expectations we have for all U.S. and foreign airlines:

- **Airlines must clearly and proactively inform passengers of their right to a refund whenever their flight is canceled or significantly changed.** We are concerned that some airlines may not be disclosing that travelers are entitled to refunds or, worse, misleading travelers into thinking they are not entitled to a refund. Any time you communicate to a passenger on a canceled or significantly changed flight, particularly about a voucher or credit, you must make it clear that they are entitled to a refund.
- **Cash refunds—not vouchers or credits—must be automatic for passengers when they are owed.** Airlines should not be automatically issuing vouchers or credits when a passenger is entitled to a refund.
- **Airlines should make it easy for passengers to get free rebooking, meals, hotels, and/or transportation to and from hotels as promised during controllable disruptions.** The commitments in airlines' customer service plans, many of which were updated in a positive and welcome fashion in 2022, are important to passengers and this Department. We are concerned by reports of some airlines not following through on their commitments or making passengers jump through hoops to get these accommodations. Front line staff should be trained on when and how to distribute benefits. If you are unable to provide upfront vouchers to passengers stranded at the airport, you should make it clear what and how much is reimbursable and make it easy to get reimbursed.

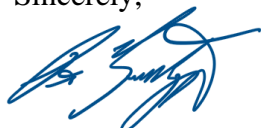
- **If passengers opt for vouchers or credits after a canceled or significantly changed flight, they must be valid for at least five years.** In the past, we have seen airlines offer travelers fast-expiring vouchers or credits in lieu of refunds. If a consumer proactively chooses a voucher or credit in lieu of a refund on or after May 16, 2024, then the voucher or credit must be valid for at least five years, or a cash refund is required. Any airline that has provided vouchers or credits with a shorter validity period must take immediate steps to remedy this noncompliance. Airlines must also notify passengers of the expiration date of vouchers or credits.

Recently, we received a request from the airline industry for additional time to comply with various aspects of the FAA Reauthorization Act and the Department's April 2024 Final Rule on Refunds and Other Consumer Protections.¹ The Department has found no basis for adjusting the compliance dates set forth in our rule (dates which fall in October 2024 and April 2025, depending on the specific provisions in question). The provisions encoded in the FAA Reauthorization Act took effect upon its May enactment, and the law did not provide for extensions or delays. Accordingly, we will be taking all appropriate steps to responsibly enforce these provisions using our investigative and enforcement powers. Airlines are free to advise the Department of any extenuating circumstances affecting their compliance but, given that it has been nearly three months since the law took effect, we expect airlines to have taken the steps necessary to comply.

The Department will also continue to communicate with air travelers about their rights. Air travelers have a right to a refund if their flight is canceled or significantly changed and they are not offered, or choose not to accept, alternatives such as rebooking. Air travelers do not have to accept travel vouchers or credits that lock them into future travel. And if airlines tell travelers that they will not offer a refund or give travelers the runaround, passengers will continue to be advised to file a complaint with the DOT Office of Aviation Consumer Protection at <https://secure.dot.gov/air-travel-complaint>.

Let me close by saying that we are encouraged by the historically high levels of demand for passenger air travel being served by airlines in America today. A thriving U.S. commercial aviation sector is good for all Americans, and all of our regulatory and enforcement activities are designed to ensure that this sector thrives on the basis of excellent safety, fair and vigorous competition, and strong customer service.

Sincerely,



Pete Buttigieg

¹ Airlines for America Ltr., dated July 3, 2024 (docketed at <https://www.regulations.gov/docket/DOT-OST-2022-0089>).